

REFERENCE TITLE: **schools; teacher compensation.**

State of Arizona  
House of Representatives  
Forty-seventh Legislature  
Second Regular Session  
2006

## **HB 2766**

Introduced by  
Representatives Kirkpatrick, Aguirre A, Alvarez, Bradley, Brown, Burton  
Cahill, Cajero Bedford, Rios P, Sinema, Tom: Downing, Gallardo, Garcia M,  
Lopes, Lujan, McCune Davis, Meza, Senator Garcia

**AN ACT**

**AMENDING SECTION 15-502, ARIZONA REVISED STATUTES; MAKING APPROPRIATIONS;  
RELATING TO SCHOOL EMPLOYEES.**

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 15-502, Arizona Revised Statutes, is amended to  
3 read:

4 15-502. Employment of school district personnel: payment of  
5 wages of discharged employee

6 A. The governing board may at any time employ and fix the salaries and  
7 benefits of employees necessary for the succeeding year. The contracts of  
8 all certificated employees shall be in writing, and all employees shall be  
9 employed subject to ~~the provisions of~~ section 38-481. The governing board  
10 may obtain the services of any employee, including teachers, substitute  
11 teachers and administrators, by contracting with a private entity that  
12 employs personnel required by the school district.

13 B. A teacher shall not be employed if the teacher has not received a  
14 certificate for teaching granted by the proper authorities. If a teacher has  
15 filed an application and completed all of the requirements for a certificate  
16 but time does not allow a teacher to receive a certificate before the  
17 commencement of employment, the conditional certificate shall serve as a  
18 certificate for the payment of wages, provided that the teacher files the  
19 conditional certificate with the county school superintendent and the  
20 certificate is issued within three months of the date of commencing  
21 employment. In order to be paid wages beyond the three month period  
22 prescribed in this subsection, the teacher shall file the certificate with  
23 the county school superintendent. Any contract issued to a teacher who has  
24 completed certificate requirements but has not received a certificate shall  
25 be specifically contingent upon receipt of such a certificate. The governing  
26 board of a school district that is subject to section 15-914.01 shall adhere  
27 to the duties described in section 15-302, subsection A, paragraph 9 for  
28 purposes of this subsection.

29 C. No dependent, as defined in section 43-1001, of a governing board  
30 member may be employed in the school district in which the person to whom  
31 such dependent is so related is a governing board member, except by consent  
32 of the board.

33 D. The governing board may employ certificated teachers under contract  
34 as part-time classroom teachers. Notwithstanding any other statute, a  
35 certificated teacher who has been employed by the school district for more  
36 than the major portion of three consecutive school years does not lose the  
37 entitlement to the procedures prescribed in sections 15-538.01, 15-539  
38 through 15-544 and 15-547 if the teacher is employed under contract on a  
39 part-time basis for at least forty per cent time. ~~As used in~~ **FOR THE**  
40 **PURPOSES OF** this subsection, "forty per cent time" means employed for at  
41 least forty per cent of the school day required of full-time teachers of the  
42 same grade level or for at least forty per cent of the class load assigned to  
43 full-time teachers of the same grade level, as determined by the governing  
44 board.

1 E. Notwithstanding sections 23-351 and 23-353, if an employee is  
2 discharged from the service of a school district, the school district shall  
3 pay the wages due to the employee within ten calendar days from the date of  
4 discharge.

5 F. Each school district shall establish policies and procedures to  
6 provide teachers with personal liability insurance.

7 G. BEGINNING IN FISCAL YEAR 2005-2006 AND EVERY YEAR THEREAFTER, TO  
8 THE GREATEST EXTENT POSSIBLE, ANY INFLATIONARY ADJUSTMENTS OR COST OF LIVING  
9 ADJUSTMENTS FOR TEACHERS THAT ARE APPROPRIATED BY THE LEGISLATURE SHALL BE  
10 USED BY THE SCHOOL DISTRICT TO OFFSET INCREASED EMPLOYEE COSTS FOR RETIREMENT  
11 BENEFITS. IF THE AMOUNT OF THE INFLATIONARY ADJUSTMENTS OR COST OF LIVING  
12 ADJUSTMENTS THAT ARE APPROPRIATED BY THE LEGISLATURE FOR ANY FISCAL YEAR  
13 EXCEEDS THE INCREASED EMPLOYEE COSTS FOR RETIREMENT BENEFITS, THE REMAINDER  
14 OF THE MONIES RECEIVED BY THE SCHOOL DISTRICT FOR INFLATIONARY ADJUSTMENTS OR  
15 COST OF LIVING ADJUSTMENTS SHALL BE USED TO INCREASE THE BASE PAY FOR  
16 FULL-TIME TEACHERS EMPLOYED AT THE SCHOOL DISTRICT.

17 H. THE MINIMUM SALARY FOR A FULL-TIME TEACHER EMPLOYED BY A SCHOOL  
18 DISTRICT SHALL BE THIRTY THOUSAND DOLLARS PER YEAR. NOTHING IN THIS  
19 SUBSECTION SHALL BE CONSTRUED TO PROHIBIT A SCHOOL DISTRICT GOVERNING BOARD  
20 FROM ESTABLISHING A COMPENSATION SYSTEM FOR TEACHERS THAT PROVIDES FOR  
21 DIVERGENT SALARIES THAT ARE BASED AT LEAST IN PART ON THE NUMBER OF YEARS OF  
22 TEACHING EXPERIENCE.

23 I. BEGINNING IN 2006, ON OR BEFORE AUGUST 15 OF EACH YEAR, EACH SCHOOL  
24 DISTRICT SHALL REPORT TO THE DEPARTMENT OF EDUCATION THE NUMBER OF TEACHERS  
25 THAT WILL BE EMPLOYED BY THE SCHOOL DISTRICT AND THE NUMBER OF TEACHERS AT  
26 EACH BASE PAY RATE. THE STATE BOARD OF EDUCATION SHALL ANNUALLY CALCULATE  
27 THE AMOUNT NEEDED TO BE APPROPRIATED BY THE LEGISLATURE TO COMPLY WITH THIS  
28 SECTION. FOR THE PURPOSES OF THIS SUBSECTION, "BASE PAY" MEANS THE BASE  
29 SALARY OF A TEACHER PLUS MONIES DISTRIBUTED PURSUANT TO SECTION 15-977 AND  
30 ANY ADDITIONAL CONTRACTUAL TEACHER COMPENSATION MONIES. BASE PAY DOES NOT  
31 INCLUDE PERFORMANCE PAY.

32 Sec. 2. Statewide career ladder implementation and phase-in  
33 plan

34 A. The state board of education shall adopt a statewide career ladder  
35 implementation and phase-in plan that integrates the components of section  
36 15-538, Arizona Revised Statutes, and title 15, chapter 9, article 1.1,  
37 Arizona Revised Statutes, and any other state law that requires assessment  
38 and observation of teacher performance and professional development needs and  
39 recommend to the governor and to the legislature an integrated teacher  
40 quality, support and assessment program contained within a single career  
41 ladder program that provides for the improvement of instruction and teacher  
42 pay using student achievement data and goals and standards-based teacher  
43 professional development opportunities. The program shall recognize both  
44 base pay increases and one-time performance stipends for individuals, teams  
45 and schools based on increasing levels of student achievement and teacher

1 responsibility as well as professional development based on professional  
2 development standards and mentoring and coaching duties. Participation in  
3 this integrated program shall be required of districts and teachers, except  
4 that teachers may choose not to participate in career development programs  
5 that involve additional responsibilities outside of their classroom  
6 responsibilities such as mentoring, coaching and participation on school and  
7 district committees. The goal of the plan is to reduce duplicative  
8 administrative burdens on schools and teachers and to consolidate teacher  
9 quality and pay programs into a single program that supports, expects and  
10 encourages student achievement and teacher development and retention.

11 B. The state board of education shall use the principles of its master  
12 teacher definition to define an Arizona master teacher for the integrated  
13 program. This definition shall include consideration of a teacher's years of  
14 service, the ability to assist students at various levels of achievement to  
15 make academic progress and a clear understanding of how to use data and  
16 professional development to further impact student learning and achievement.

17 C. The state board of education shall consider the recommendations of  
18 the career ladder advisory committee established by section 15-918.01,  
19 Arizona Revised Statutes, and the Arizona performance based compensation  
20 system task force established by section 15-920.01, Arizona Revised Statutes,  
21 in developing the integrated plan.

22 D. The state board of education shall make recommendations to the  
23 governor and the legislature regarding the integration of these programs by  
24 December 1, 2006, including any recommendations regarding the funding  
25 mechanism and base level increases for career ladder programs.

26 E. Notwithstanding section 15-918.01, Arizona Revised Statutes, for  
27 purposes of this section, the state board of education shall temporarily  
28 expand the career ladder advisory committee until December 31, 2006 to no  
29 more than twenty-one members to include additional career ladder directors  
30 and noncareer ladder superintendents and teachers.

31 F. The state board of education shall adopt recommendations for an  
32 integrated program by October 15, 2006, including a process for review and  
33 approval of district plans to comply with career ladder requirements by June  
34 1, 2007. The plan shall consider the resources and expertise of the career  
35 ladder advisory committee, the Arizona performance based compensation system  
36 task force and the management duties of the department of education.

37 Sec. 3. Appropriations; program development

38 A. The sum of \$1,000,000 is appropriated from the state general fund  
39 in fiscal year 2006-2007 to the state board of education for program  
40 development and review and for allocation of planning grants to school  
41 districts requesting assistance in developing a plan to meet the assessment  
42 and evaluation requirements of the teacher assessment and evaluation laws in  
43 preparation for providing career ladder support and requirements statewide  
44 beginning in fiscal year 2007-2008.

1           B. The grants from monies appropriated pursuant to subsection A shall  
2 be distributed to school districts that demonstrate a need for planning. The  
3 grants may also be distributed to consortiums of school districts and  
4 regional education agencies to collaborate and plan on a regional basis. No  
5 more than ten per cent of the monies distributed may be used for  
6 administrative purposes.

7           C. The state board of education may use a portion of the monies  
8 appropriated pursuant to subsection A to fill one new full-time equivalent  
9 position to provide ongoing guidance to the state board of education of the  
10 need for teacher development and support related to new education mandates,  
11 rules or programs or changes to education mandates, rules or programs and the  
12 status of standards based professional development in schools and school  
13 districts in this state.

14           Sec. 4. Appropriation; mentor training

15           The sum of \$1,000,000 is appropriated from the state general fund in  
16 fiscal year 2006-2007 to the state board of education for distribution to  
17 the Arizona K-12 center for program implementation and mentor training for  
18 the Arizona master teacher program as prescribed by the state board of  
19 education.

20           Sec. 5. Appropriation; training grants

21           A. The sum of \$500,000 is appropriated from the state general fund in  
22 fiscal year 2006-2007 to the state board of education for distribution to the  
23 Arizona K-12 center to develop and issue grants to assist schools and school  
24 districts in understanding and using the national staff development council  
25 standards for professional development.

26           B. The Arizona K-12 center may use the monies appropriated pursuant to  
27 subsection A to issue training grants to educational service agencies with a  
28 plan to provide training that develops regional and local capacity for using  
29 the standards. The education service agencies shall focus training on schools  
30 and school districts that demonstrate the most need.

31           Sec. 6. Appropriation; teacher salaries; exemption

32           A. The sum of \$5,700,000 is appropriated from the state general fund  
33 in fiscal year 2006-2007 to the state board of education for distribution to  
34 school districts in order to carry out the purposes of section 15-502,  
35 subsection H, Arizona Revised Statutes, as amended by this act.

36           B. The appropriation made in subsection A of this section is exempt  
37 from the provisions of section 35-190, Arizona Revised Statutes, relating to  
38 lapsing of appropriations.

39           Sec. 7. Appropriation; retirement costs; exemption

40           A. The sum of \$45,000,000 is appropriated from the state general fund  
41 in fiscal year 2006-2007 to the state board of education for distribution to  
42 school districts to cover the costs of increased retirement contributions for  
43 teachers employed by those school districts.

1           B. The appropriation made in subsection A of this section is exempt  
2 from the provisions of section 35-190, Arizona Revised Statutes, relating to  
3 lapsing of appropriations.

4           Sec. 8. Appropriation: base pay increases: exemption

5           A. The sum of \$40,000,000 is appropriated from the state general fund  
6 in fiscal year 2006-2007 to the state board of education for distribution to  
7 school districts to increase the base pay of full-time teachers employed by  
8 those school districts.

9           B. The appropriation made in subsection A of this section is exempt  
10 from the provisions of section 35-190, Arizona Revised Statutes, relating to  
11 lapsing of appropriations.

12           Sec. 9. Retroactivity

13           Section 15-502, Arizona Revised Statutes, as amended by this act,  
14 applies retroactively to August 12, 2005.